

2006 State Small Businesses of the Year

A Statistical Profile

Years in Business

The winning businesses have been in business for an average of 11-12 years. Of the winning businesses, 45 percent were started in the 1990s, 20 percent were started in the 1980s, and 20 percent started since 2000. The oldest business was founded in 1909 and the newest business began in 2002.

Products & Services

The winning businesses include a day spa, a restaurant, a health club, a day care, a research and development firm and makers of pharmaceuticals, brownies, bottled water, computer services, avionics, engineering, rubber products, dinner plates, cars, fabricated steel, tolled machine parts, software, milk, wood products, office furniture, bulk mail services, employment and staffing services, printing, shoes for handicapped people, medical equipment, home health care, plastic prototypes, medical laboratory services, maintenance, non-ferrous castings.

Legal Structure / Business Type

Legal Structure	Business Type
48 percent are S corporations	35 percent are in manufacturing
45 percent are corporations	18 percent are in retail
8 percent are limited liability corporations	8 percent are in computer technology
None are sole proprietorships	8 percent are in wholesaling
None percent are partnerships	5 percent are in professional services
	3 percent are in construction
	40 are other business lines
	* Some winners are in multiple areas

Ownership

46 percent of the state small business of the year winners are majority-owned or 50 percent owned by women, and 25 percent are owned or co-owned by minorities. 13 percent are owned or co-owned by Asians or Pacific Islanders, 10 percent are owned or co-owned by Hispanic Americans, and 8 percent are owned or co-owned by African Americans. 23 percent of the winners are veterans.

Well over half of the businesses are family-owned and operated, and 43 percent employ members of their families: 43 spouses, sons, daughters, in-laws, and nephews.

Government Contracts

35 percent of the state winners sell goods or services to the federal government. Those sales amount to a total of more than \$68.6 million, or an average of \$5.7 million each.

Employment

Together the winning businesses employ 3,343 full-time and part-time employees. On average, they employ 84 people each. The smallest business employs seven, and the largest employs 371. At start-up, the average number of employees for these businesses was under 14. These companies added 567 employees to their payrolls last year.

Revenues

Total sales for the businesses' most recent year amounted to almost \$518.7 million. The average was \$12.9 million. In their first year operating these companies, the winners averaged \$1.1 million. 98 percent reported growth in revenues in the most recently completed year.

Investment

88 percent of the winners reported having purchased additional equipment last year, with the total amounting to \$12.5 million, or about \$366,750 each.

Exporting

Of the winners, 15 percent export goods and services, and 18 percent of the remainder plan to get into exporting within the next two years. Among the products they export: aluminum castings, plastic products, office furniture, dinnerware and software.

The most frequently noted trading partners are Canada and Mexico. Other countries to which these companies export include: Germany, France, Sweden, Australia, Thailand, El Salvador, Ecuador, India, Belgium, France, Jamaica, Peru, the Dominican Republic, Colombia, Venezuela, Denmark, Trinidad, and the United Kingdom.

SBA Assistance

- 80 percent received assistance from the SBA
- 33 percent received assistance from a Small Business Development Center
- 15 percent received assistance from SCORE
- 23 percent received assistance from an SBA field office
- 8 percent received assistance from a Women's Business Center

Getting Started

Of the winners:

- 63 percent received financial assistance from the SBA
- 33 percent got general counseling or training
- 15 percent got help with business start-up
- 10 percent got procurement assistance
- 15 percent got help with marketing

- 8 percent got help with accounting
- 5 percent got help with personnel issues
- 98 percent would start the business again

Of the winning businesses, none are home-based, but 25 percent started out as home-based.

Use of Technology

- 100 percent use e-mail
- 100 percent use the Internet
- 100 percent use computers for payroll/accounting
- 98 percent use cellular phones
- 98 percent have a company Web page.
- 98 percent keep a customer database
- 98 percent use computers for word processing
- 95 percent have laptop computers
- 95 percent use computers for financial analysis
- 85 percent have CD-ROM
- 80 percent use computers personnel records
- 68 percent use computers for inventory control
- 63 percent use desk-top publishing
- 60 percent use Internet ordering/e-commerce